H-1054.2

HOUSE BILL 1761

State of Washington 60th Legislature 2007 Regular Session

By Representatives Linville, Hunter, Priest, Hunt, B. Sullivan, Upthegrove, Kessler, Sump, Hankins, Jarrett, Fromhold, Appleton, Rolfes, Darneille, Campbell, Conway, Green, O'Brien, Schual-Berke, Simpson, Ormsby and Chase

Read first time 01/26/2007. Referred to Committee on Select Committee on Environmental Health.

- AN ACT Relating to expediting the cleanup of hazardous waste and creating incentives for Puget Sound cleanups; amending RCW 70.105D.070; adding new sections to chapter 70.105D RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. In 1988, the citizens of the state of Washington created by initiative the model toxics control act. The primary purpose of this act, as stated in its intent, is to raise sufficient funds to clean up all hazardous waste sites and to prevent the creation of future hazards due to improper disposal of toxic wastes into the state's lands and waters. The legislature reaffirms this purpose.

The legislature also finds that global economic trends and events since 1988 have caused the funds raised by the model toxics control act to shift in a cyclical manner. The intent of this act is to accelerate clean-up efforts throughout Washington with the goal of cleaning up all currently-known sites within ten years, to create the financing tools to clean up large-scale hazardous waste sites that require multi-year commitments of funding and effort, and to ensure that the state

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- 1 continue its efforts to ensure the long-term ecological health of Puget
- 2 Sound's sediments and shorelines.

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- 3 **Sec. 2.** RCW 70.105D.070 and 2005 c 488 s 926 are each amended to 4 read as follows:
 - (1) The state toxics control account and the local toxics control account are hereby created in the state treasury.
 - (2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, ((including but not limited to)) and consist of the following activities:
 - (i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;
- 20 (ii) The state's responsibility for solid waste planning, 21 management, regulation, enforcement, technical assistance, and public 22 education required under chapter 70.95 RCW;
- 23 (iii) The hazardous waste cleanup program required under this 24 chapter;
 - (iv) State matching funds required under the federal cleanup law;
- 26 (v) Financial assistance for local programs in accordance with 27 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- (vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;
 - (vii) Hazardous materials emergency response training;
- (viii) Water and environmental health protection and monitoring programs;
- 34 (ix) Programs authorized under chapter 70.146 RCW;
- 35 (x) A public participation program, including regional citizen 36 advisory committees;

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(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

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- (xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.
- (3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.
- (a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. ((During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the

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state toxics control account such amounts as specified in the omnibus capital budget bill. During the 2005-2007 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.))

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- (b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.
- (4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.
- (5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-forprofit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.
- (6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.
- (7) The department shall adopt rules for grant or loan issuance and performance.
- (8) ((During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund)) Within thirty days after June 30, 2008, and within thirty days after

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- each succeeding fiscal year thereafter, the state treasurer shall 1 2 determine the tax receipts deposited into the state toxics control account for the preceding fiscal year. If the tax receipts deposited 3 into the account exceed thirty million dollars, the state treasurer 4 shall transfer the amount in excess of thirty million dollars to the 5 strategic partnership cleanup account created in section 3 of this act. 6 7 The thirty million dollar threshold must be adjusted each year by the percentage change in the implicit price deflator for personal 8 expenditures for the United States as published by the bureau of 9 economic analysis of the federal department of commerce. 10
- (9) Within thirty days after June 30, 2008, and within thirty days 11 after each succeeding fiscal year thereafter, the state treasurer shall 12 13 <u>determine the tax receipts deposited into the local toxics control</u> 14 account for the preceding fiscal year. If the tax receipts deposited into the account exceed thirty million dollars, the state treasurer 15 shall transfer the amount in excess of thirty million dollars to the 16 community cleanup assistance account created in section 4 of this act. 17 The thirty million dollar threshold must be adjusted each year by the 18 percentage change in the implicit price deflator for personal 19 expenditures for the United States as published by the bureau of 20 21 economic analysis of the federal department of commerce.
- NEW SECTION. Sec. 3. A new section is added to chapter 70.105D RCW to read as follows:
- 24 (1) The strategic partnership cleanup account is created in the 25 state treasury. The following moneys must be deposited into the 26 account: (a) Those revenues from the transfer of funds under RCW 27 70.105D.070(8); and (b) any other money appropriated or transferred to 28 the account by the legislature.
- 29 (2) Moneys in the account may be spent only after appropriation. 30 Expenditures from the account may be used only for:
- 31 (a) Remedial action efforts that constitute a priority of the 32 state;
- 33 (b) Area-wide clean-up efforts where a state investment is 34 necessary to protect human health and the environment; and
- 35 (c) Efforts to control new sources of contamination, where the 36 efforts are necessary to protect the health of an existing clean-up 37 site.

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- 1 (3) In order to further the legislature's goals of restoring the 2 health of Puget Sound, the department is authorized to use the 3 strategic partnership cleanup account to accelerate cleanups that 4 benefit the sediments and shorelines of Puget Sound.
- 5 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 70.105D 6 RCW to read as follows:

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- (1) The community cleanup assistance account is created in the state treasury. The following moneys must be deposited into the account: (a) Those revenues from the transfer of funds under RCW 70.105D.070(9); and (b) any other money appropriated or transferred to the account by the legislature.
- (2) Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants or loans to local governments for the cleanup of hazardous waste sites under the procedures of this chapter. The intent of this account is to enable the department to create longer-term hazardous waste cleanup partnerships with communities and liable parties. Grants from this account are limited to clean-up sites that:
- 19 (a) Require a multiyear effort, beyond the state's traditional 20 biennial budget planning timeline;
 - (b) Consist of large-scale hazardous substance releases that impact the state's land and waters in a significant manner; and
- 23 (c) Have a demonstrated high-level ecological and community clean-24 up benefit.
 - (3) In order to further the legislature's goals of restoring the health of Puget Sound, the department is authorized to use the community cleanup assistance account to accelerate cleanups that benefit the sediments and shorelines of Puget Sound.
 - (4) In partnering with local communities and liable parties for cleanups funded by the community cleanup assistance account, the department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:
- 33 (a) Grant matching requirements that create incentives for local governments to expedite cleanups;
- 35 (b) The use of outside contracted staff in order to review cleanup 36 documentation and conduct necessary studies;

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1	(c) The commitment	of funds,	subject to	o availability,	for ter	cms of
2	up to ten years;					

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- (d) The purchase of remedial action cost-cap insurance, when necessary to expedite multiparty clean-up efforts; and
- (e) The commitment of funds for operation and maintenance of long-term remedial action obligations, such as the maintenance of treatment or containment systems and required monitoring.

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